

**UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK**

SECURITIES AND EXCHANGE COMMISSION,)	
)	
)	
<i>Plaintiff,</i>)	
)	
v.)	Case No. 07-CV-11387
)	(Judge Cote)
BRIAN N. LINES, <i>et al.</i> ,)	ECF Case
)	
<i>Defendants.</i>)	
)	

STATEMENT OF MATERIAL FACTS PURSUANT TO LOCAL RULE 56.1

Pursuant to Local Rule 56.1, Defendant LOM Bermuda submits the following Statement of Material Facts as to which there is no genuine issue to be tried:

1. Chalkcliffe, Limited (“Chalkcliffe”) was, during the relevant period in the SEC’s complaint, a foreign corporation, the beneficial owners of which were Dr. Robert Deutsch (“Deutsch”) and his wife, Ann-Charlotte Deutsch. *See* Ex. 153, at 1-2, 6 (attached hereto as Exhibit A); *see also* Deposition Transcript of Robert Deutsch at 15:7-15 (“Deutsch Dep. Tr.”) (excerpts attached hereto as Ex. B).

2. Robert Deutsch is a U.S. citizen, *see* Deutsch Dep. Tr. at 50:3-4, and Ann-Charlotte Deutsch is a Danish citizen, *see id.* at 63:8-12.

3. In August 1996, Deutsch, then a resident of California, called LOM’s offices in Bermuda looking to open an account. Deutsch opened the account in the name of Chalkcliffe. *See id.* at 15:7-15; *see also* Ex. 153, at 1-2. The account statements relating to the account were in the name of Chalkcliffe. *See* Ex. 152 (attached hereto as Ex. C). Moreover, Deutsch signed a certification under penalty of perjury on IRS Form W-8BEN attesting that the beneficial owner of the account was Chalkcliffe and was “not a U.S. person.” Ex. 153, at 6.

4. Scott Lines, the broker on Chalkcliffe's LOM Bermuda account, placed two telephone calls to Robert Deutsch at his office in Maine in January 2003 to discuss possible investment opportunities for Chalkcliffe with respect to Renaissance Mining Corporation. *See* Exs. 107B, 107C (audio recordings).

5. Deutsch did not have a personal account at LOM Bermuda but, instead, was affiliated only with Chalkcliffe's account. Consequently, Scott Lines solicited only Chalkcliffe, rather than Robert Deutsch in his personal capacity. *See* Deutsch Dep. Tr. at 21:14-18, 76:17-19.

Dated: January 25, 2010

Respectfully submitted,

/s/ Derek T. Ho

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